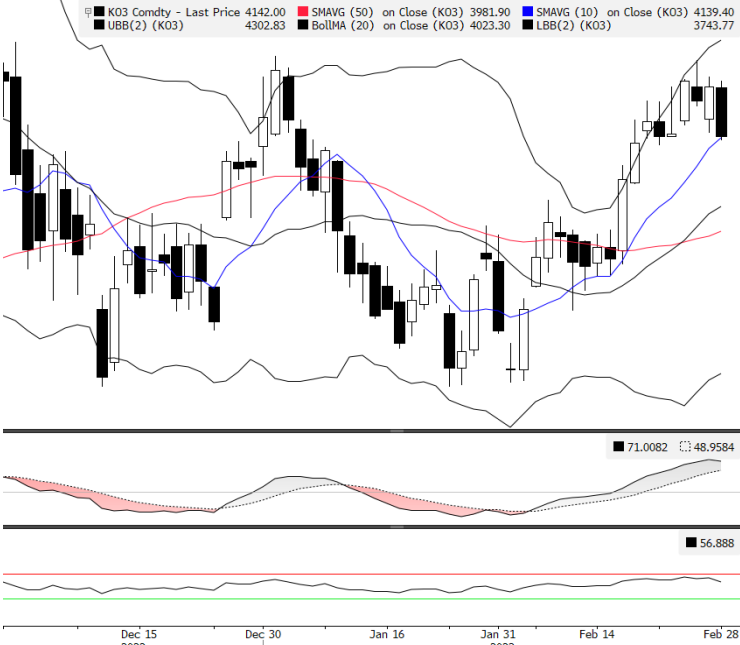


CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures reversed previous session's gains to end 1.96% lower on Tuesday, pressured by profit taking activities on disappointing exports data published by cargo surveyors and worries over rising production. Nonetheless, palm oil futures still recorded the biggest monthly gain since October on the concerns over unfavorable weather that could cause supply disruption. Globally, crude oil prices rose sharply higher and erased previous session's rout on Tuesday, with U.S. West Texas Intermediate (WTI) crude futures gained \$1.37, or 1.8%, to \$77.05 a barrel, buoyed by optimistic China factory activity data due in the next two days that outweighed the worries over longer than expected rate hike that could drag global economy. Meanwhile, the CBOT soy oil inched lower, with May soy oil contract eased 0.3 cent to 60.04 cents per lb, following the fall in soybean as funds liquidated positions before the end of the month coupled with unwinding oil/meal spread activities while downside was limited by the surge in competing crude oil. Therefore, palm oil futures are expected to trade on a cautious note today following mixed overnight rival oils market and rumours of world's top producer, Indonesia to lower its B35 biodiesel mandate to ensure domestic supply of palm olein until Ramadan festival while downside could be limited by persisting unfavorable weather in Malaysia that could cause supply disruption.

Technical

Palm oil futures for the May contract opened lower and trended gradually lower in negative territory as profit booking activities intensified following the fall in the rival soy oil during Asian trading hours along with disappointing shipment data that showed a slowdown in the second half of February. At the close, the May contract settled at 4,142 ringgit per tonne with losses of 83 points. Trading activities for the day can be depicted through the formation of a long black-bodied candlestick pattern with extended upper and bottom shadows, indicating that the bears took control of the trading session aggressively. Technical wise, MACD indicator issued a buy signal while RSI lingered at a neutral region. Therefore, palm oil futures are expected to trade with a downward bias today on continued selling pressure cue from mixed performance in overnight competing oils market and discouraging tropical oil export demand while downside could be limited by possible supply shortage due to persisting storm in Malaysia's crop region. Hence, the support and resistance for May futures contract can be found at 4,020 and 4,200 respectively.

K03 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 30NOV2022-28FEB2023 Copyright© 2023 Bloomberg Finance L.P. 28-Feb-2023 19:15:18

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg				
MAR 23	4,113	-71	4,156	4,111	521	2,145	-132	-3.02 Mn	4,210	4,080	Mar23	4,120	4,180	2.9%	0.0%				
APR 23	4,129	-90	4,225	4,124	6,777	22,830	-2,674	-61.41 Mn	4,262	4,121	Source: Reuters								
MAY 23	4,142	-83	4,234	4,135	25,439	49,770	467	10.76 Mn	4,269	4,127									
JUN 23	4,127	-81	4,215	4,120	6,162	22,602	43	.99 Mn	4,246	4,111	Spreads	Last	Bid	Offer	Vol	High	Low	Avg	
JUL 23	4,099	-73	4,173	4,088	5,234	21,189	400	9.12 Mn	4,203	4,085	Mar23-Apr23	-35	-33	-10	33	6	-58	-20	
AUG 23	4,058	-72	4,135	4,052	3,803	12,553	965	21.78 Mn	4,158	4,049	Mar23-May23	-41	-	-	92	8	-64	-25	
SEP 23	4,022	-68	4,099	4,018	2,906	12,460	674	15.08 Mn	4,119	4,017	Apr23-May23	-13	-11	-9	89	6	-17	-5	
OCT 23	3,996	-62	4,064	3,994	955	4,990	138	3.07 Mn	4,091	3,997	Apr23-Jun23	11	3	5	51	20	-21	6	
NOV 23	3,984	-65	4,055	3,984	967	8,597	-51	-1.13 Mn	4,075	3,986	May23-Jun23	15	13	14	341	33	-6	11	
DEC 23	3,976	-65	4,038	3,982	424	2,535	83	1.84 Mn	4,070	3,989	May23-Jul23	58	42	43	292	67	-4	31	
JAN 24	3,975	-62	4,035	3,977	293	3,330	107	2.37 Mn	4,065	3,980	Source: Bloomberg								
FEB 24	3,974	-62	4,019	4,019	50	379	2	.04 Mn	4,059	3,986	Refiner's Margin (RBDPO - Cash CPO)								
MAR 24	3,965	-62	4,028	3,967	163	2,009	97	2.14 Mn	4,044	3,984									
MAY 24	3,954	-62	4,015	4,010	10	157	7	.15 Mn	4,037	3,985									
JUL 24	3,954	-62	-	-	-	5	0	. Mn	4,000	4,000									
SEP 24	3,954	-62	-	-	-	-	0	. Mn	-	-									
NOV 24	3,954	-62	-	-	-	-	0	. Mn	-	-									
JAN 25	3,954	-62	-	-	-	-	0	. Mn	-	-									
MAR 25	3,954	-62	-	-	-	-	0	. Mn	-	-									
MAY 25	3,954	-62	-	-	-	-	0	. Mn	-	-									
JUL 25	3,954	-62	-	-	-	-	0	. Mn	-	-									
SEP 25	3,954	-62	-	-	-	-	0	. Mn	-	-									
NOV 25	3,954	-62	-	-	-	-	0	. Mn	-	-									
JAN 26	3,954	-62	-	-	-	-	0	. Mn	-	-									
<b>Total</b>					<b>53,704</b>	<b>165,551</b>	<b>126</b>												

Source: Bloomberg

Export Est Period	Feb-23		Jan-23		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS
1 - 10th days	312,092	323,280	235,529	262,201	32.51%	23.29%	-2.63%	6.20%
1 - 15th days	437,327	449,703	401,749	453,771	8.86%	-0.90%	-12.00%	-11.42%
1 - 20th days	723,482	712,740	566,561	654,888	27.70%	8.83%	-11.59%	-12.77%
1 - 25th days	949,082	985,780	823,376	876,193	15.27%	12.51%	-10.49%	-9.17%
<b>Full month</b>	<b>1,062,057</b>		<b>1,066,287</b>	<b>1,113,292</b>	<b>-0.40%</b>		<b>-12.30%</b>	

Source: Reuters

Malaysian Palm Oil Board Statistic	2021		2022		2023		Feb Chg (Mean)	KF's Expected Feb
	February	November	December	January	February	February		
Production	1,137,448	1,680,743	1,618,853	1,380,410	-12.07%	1,213,766		
Stocks	1,518,293	2,288,473	2,194,809	2,268,198	-2.61%	2,209,084		
Export	1,097,857	1,517,731	1,468,448	1,135,498	-14.88%	966,556		
Import	149,833	47,047	47,114	144,937	140.07%	347,954		

Source: Reuters

Commodity Futures (3rd month)	Overnight close	+/-	Relative to FCPO				
			1d Chg (%)	3m Chg	6m Chg	3m Chg	6m Chg
CPO	4142	0	0.00%	1.57%	3.71%	0.02	0.04
Dalian Olein	8222	-48	-0.58%	-4.57%	-2.58%	0.94	0.94
Soybean Oil	59.75	-0.29	-0.48%	-12.65%	-12.80%	0.86	0.84
WTI Crude	77.05	1.37	1.81%	-4.70%	-6.85%	0.99	0.98
CRB Index (realtime)	269.84	1.2395	0.46%	-3.55%	-7.08%	0.94	0.90

Source: Bloomberg

Currency	Last	1d Chg	3m Chg	6m Chg
USDIDR	15260.5	-0.06%	-2.94%	2.88%

Source: Bloomberg

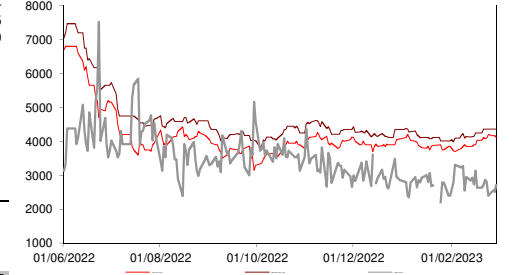
Overnight Lead

Chicago Board of Trade soybean futures fell to their lowest in seven weeks on Tuesday as commodity funds liquidated positions before the end of the month, traders said. - Reuters

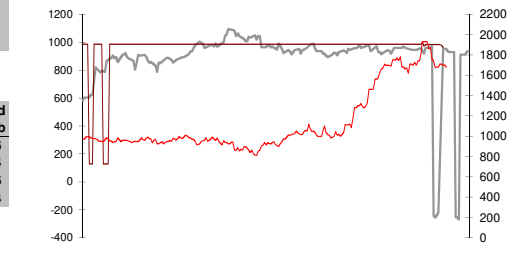
Previous Week		Last Bid		Last Offer		3m Chg		6m Chg	
High	Low	High	Low	High	Low	High	Low	High	Low
4,210	4,080	4,120	4,180	4,180	4,120	2.9%	0.0%		

Spreads		Last		Bid		Offer		Vol		High		Low		Avg	
Mar23-Apr23	-35	-33	-10	33	6	-58	-20								
Mar23-May23	-41	-	-	92	8	-64	-25								
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May23-Jun23	15	13	14	341	33	-6	11								
May23-Jul23	58	42	43	292	67	-4	31								

Source: Bloomberg



Crude Degummed Soybean Oil (CDSBO)/ RBD Palm Olein (RBDPO) Basis (per Tonne) USD 933.67



3rd mth FCPO Volatility 30 Days 27.56% 60 Days 36.23% 90 Days 37.06%